

**Exhibit 1**

**(Joint Stipulation of  
Settlement and Release)**

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

LAVERN LYNN, and on behalf  
of herself and all those similarly  
situated,

Plaintiff,

v.

VITAL RECOVERY SERVICES, INC.,  
VITAL SOLUTIONS, INC., AND  
CHRISTOPHER J. SHULER,

Defendants.

CIVIL ACTION

NO. 1:13-CV-00534-AT

**JOINT STIPULATION OF SETTLEMENT AND RELEASE**

This Joint Stipulation of Settlement and Release (the “Agreement”) is entered into by and between Lavern Lynn (the “Name Plaintiff”), individually and on behalf of the collective group of individuals that she represents (collectively with Name Plaintiff, “Plaintiffs”) in the matter *Lynn et al. v. Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher J. Shuler*, Civil Action No. 1:13-CV-00534-AT, and Defendants Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher J. Shuler (collectively the “Defendants”) (together with Plaintiffs, the “Parties”).

**RECITALS**

**WHEREAS**, Name Plaintiff, a non-exempt former employee of Defendant Vital Recovery Services, Inc., filed this case under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* (the “FLSA”), Civil Action No. 1:13-CV-00534-AT (the “Litigation”). Name Plaintiff alleges that Defendants willfully underpaid the overtime compensation of Name Plaintiff and other debt collectors by (i) altering debt collectors’ time records and entering inaccurate information in their time records, to falsely reduce the number of hours they actually worked; (ii) directing debt collectors to clock out of the timekeeping system but to continue working off-the-clock and then not compensating the debt collectors for the time they allegedly worked off-the-

clock; (iii) paying debt collectors' overtime for some but not all of the hours they worked in excess of 40 in a workweek but miscalculating their regular rate of pay by failing to include non-discretionary production bonus payments in the calculation; and (iv) paying debt collectors straight-time for some but not all of the hours they worked in excess of 40 in a workweek instead of paying them at one and one half times their proper regular rate of pay (collectively, the "Claims"); and

**WHEREAS**, on June 13, 2013, the Court granted the Parties Joint Motion To Stay Discovery, Grant Conditional Collective-Action Certification, And Order Notice To The Class; and

**WHEREAS**, 72 individuals, excluding Patricia Walker, filed consent-to-join forms, and currently remain in the action; and

**WHEREAS**, Defendants deny all of the allegations made by the Name Plaintiff in the Litigation and deny that they are liable or owe damages to anyone with respect to the alleged facts or causes of action asserted in the Litigation. Nonetheless, without admitting or conceding any liability or damages whatsoever, Defendants have agreed to settle the Litigation on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Litigation; and

**WHEREAS**, Name Plaintiff and the Litigation Opt-in Plaintiffs and Defendants agreed to engage in dialogue regarding the possibility of a voluntary resolution of the claims asserted in the Litigation and exchange information and payroll data; and

**WHEREAS**, the Parties reached an accord resulting in this Agreement; and

**WHEREAS**, the purpose of this Agreement is to settle fully and finally all Released Claims (as hereinafter defined) between Plaintiff and Participating Settlement Opt-ins and the Defendants, including all claims asserted in the Litigation; and

**WHEREAS**, Plaintiffs' Counsel analyzed and evaluated the merits of the claims made against Defendants in the Litigation, conducted interviews, obtained and reviewed documents relating to Defendants' compensation policies and practices and analyzed extensive payroll data and other data concerning work hours of Name Plaintiff and each Litigation Opt-in



Plaintiff, and based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of litigation, including the possibility that the Litigation, if not settled now, might not result in any recovery for some Plaintiffs or might result in a recovery less favorable for some Plaintiffs, and that any recovery would not occur for several years, Plaintiffs' Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interests of the Plaintiffs.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the Parties hereto agree to a full and complete settlement of the Litigation on the following terms and conditions:

## **1. DEFINITIONS**

The defined terms set forth in this Agreement have the meaning ascribed to them below.

- 1.1** "Acceptance Period" means the 60-day period beginning from the date of the mailing of the Settlement Notice and Settlement Check, during which an Eligible Settlement Opt-in can Negotiate a Settlement Check and accept the terms of this Agreement and release all Released Claims.
- 1.2** "Court" means the United States District Court for the Northern District of Georgia.
- 1.3** "Defendants" or "the Vital Defendants" means Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher J. Shuler.
- 1.4** "Defendants' Counsel" means Littler Mendelson, P.C.
- 1.5** "Effective Date" means the later of the following dates:
  - (A)** If there is no appeal of the Court's Order Granting Approval of the Settlement, the day after the deadline for taking an appeal has passed; or
  - (B)** If there is an appeal of the Court's Order Granting Approval of the Settlement, the day after all appeals are resolved in favor of final approval.



- 1.6 “Eligible Settlement Opt-ins” means Name Plaintiff and Litigation Opt-in Plaintiffs (as herein defined). The Parties agree that there are 72 Eligible Settlement Opt-ins.
- 1.7 “Gross Settlement Amount” means the One Hundred and Thirty-Six Thousand One Hundred Eighty-Nine and 26/100ths Dollars (\$136,189.26 ), which is the maximum amount that Defendants have agreed to pay to fully resolve and settle this Litigation, including any claims for attorneys’ fees and costs approved by the Court; any and all amounts to be offered to each Eligible Settlement Opt-in; the cost of settlement administration; and any Court-approved Service Awards. Defendants will not be required to pay any more than the gross total of One Hundred and Thirty-Six Thousand One Hundred Eighty-Nine and 26/100ths Dollars (\$136,189.26). The funds from any Settlement Checks not negotiated by Eligible Settlement Opt-ins during the Acceptance period will automatically revert to Defendants.
- 1.8 “Last Known Address” or “Last Known Addresses” means the most recently recorded personal mailing address for an Eligible Settlement Opt-in as shown in Plaintiffs’ Counsel’s records.
- 1.9 “Last Known E-mail Address” or “Last Known E-mail Addresses” means the most recently recorded personal e-mail address for an Eligible Settlement Opt-in as shown in Plaintiffs’ Counsel’s records.
- 1.10 “Last Known Telephone Number” or “Last Known Telephone Numbers” means the most recently recorded personal telephone number for an Eligible Settlement Opt-in as shown in Plaintiffs’ Counsel’s records.
- 1.11 “Litigation” or the “Lawsuit” or the “Action” mean the lawsuit entitled *Lavern Lynn et al. v. Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher J. Shuler*, United States District Court for the Northern District of Georgia, Civil Action No. 1:13-CV-00534-AT.
- 1.12 “Complaint” means the Complaint dated February 19, 2013, and as amended on May 16, 2013 (“First Amended Complaint”), and August 4, 2015 (“Second Amended Complaint”).
- 1.13 “Litigation Opt-In Plaintiffs” means Florence Abange, Siri Akenji, Balqis Ali, Kyran Anderson, Debra Anthony, Shantel Barnes,

Godlove Benjamin, Michael Bowman, Shunrunda Butler, Michael Chambers, Alisia Clarke, Regina Collins, Shirley Cox, Jerry Dean, Talitha Dixon, Tiffany (formerly Tiffany Nichols-Douglas) Douglas, David Downing, Kalema Dunn, Kwasi Dyson, McPhine Dyson, Kimberly Evans, Sue Evans, John Hammond, Starr Harrison, Tameca (formerly Tameca Diby) Hatcher Shedhai, Monica Hickenbottom, Demond Hill, LaTasha Horton, Kalie (formerly Kalie Presswood) Houston, ShaTara Hunter, Kimberly Jarrells, Annie Johnson-McCarble, Barron Jones, Shaunika Jordan, Alison Lynne Kelley, Douglas Kendrick, Nneka King, Stephanie Knights, Linda Kohn, Brenda Lee, Quintes Lewis, Ciera (formerly Ciera Williams) Lily, Lolita Logan, Lavern Lynn, Rhonda Martin, Monica (formerly Monica Miller) McCluney, Giselle McCoy, Monica Milner, Johnny Mitchell III, Claudette Nix, Victor Onyesoh, Grace Oshunlalu, Frederick Parker, Calvin Pittman, Jessica Quillens, Tamiesha Reddick, Sherraina Owens Robinson, Virginia Robinson, Otis Sanford, Pleshetta Thrasher, Vincent Tucker, Shaunta Tulloss, Odessia Turner, Victoria Victoria, , Cara Washington, Wendy Watson Page, Sheila Whigham, Nekolea White, Candace Whitfield, Jenise Wiggins, Valerie Bradfield Wiggins, and Wanda Williams-Rochester.

- 1.14** “Name Plaintiff” means Plaintiff Lavern Lynn.
- 1.15** “Non-Participating Settlement Opt-in” means each Eligible Settlement Opt-in, who does not participate in the Settlement by negotiating a Settlement Check with release language included on the check within the Acceptance Period and whose claims will be dismissed without prejudice ten (10) days after the expiration of the Acceptance Period.
- 1.16** “Order Granting Approval of Settlement” or “Approval Order” shall mean an order to be approved and entered by the Court, which gives final approval to the settlement of this dispute and this Agreement. A proposed form of Order approving the Settlement (“Approval Order”) shall be filed with the Court at the time Plaintiff files a Motion for an Order Approving the Settlement of Fair Labor Standards Act Collective Action, Approving and Authorizing the Issuance of Notice of Settlement, Approving a Service Award, and Approving Attorney’s Fees and Costs (“Approval Motion”). A copy of the proposed Approval Order is attached hereto as Exhibit 1.



- 1.17** “Participating Settlement Opt-in” means each Eligible Settlement Opt-in who participates in the Settlement by negotiating the Settlement Checks with release language included on the checks within the Acceptance Period and whose claims will be dismissed with prejudice within ten days of the end of the Acceptance Period.
- 1.18** “Parties” collectively means the Plaintiff Lavern Lynn, Florence Abange, Siri Akenji, Balqis Ali, Kyran Anderson, Debra Anthony, Shantel Barnes, Benjamin Godlove, Michael Bowman, Shunrunda Butler, Michael Chambers, Alisia Clarke, Regina Collins, Shirley Cox, Jerry Dean, Talitha Dixon, Tiffany (formerly Tiffany Nichols-Douglas) Douglas, David Downing, Kalema Dunn, Kwasi Dyson, McPhine Dyson, Kimberly Evans, Sue Evans, John Hammond, Starr Harrison, Tameca (formerly Tameca Diby) Hatcher Shedhai, Monica Hickenbottom, Demond Hill, LaTasha Horton, Kalie (formerly Kalie Presswood) Houston, ShaTara Hunter, Kimberly Jarrells, Annie Johnson-McCarble, Barron Jones, Shaunika Jordan, Alison Lynne Kelley, Douglas Kendrick, Nneka King, Stephanie Knights, Linda Kohn, Brenda Lee, Quintes Lewis, Ciera (formerly Ciera Williams) Lily, Lolita Logan, Rhonda Martin, Monica (formerly Monica Miller) McCluney, Giselle McCoy, Monica Milner, Johnny Mitchell III, Claudette Nix, Victor Onyesoh, Grace Oshunlalu, Frederick Parker, Calvin Pittman, Jessica Quillens, Tamiesha Reddick, Sherraina Owens Robinson, Virginia Robinson, Otis Sanford, Pleshetta Thrasher, Vincent Tucker, Shaunta Tulloss, Odessia Turner, Victoria Victoria, , Cara Washington, Wendy Watson Page, Sheila Whigham, Nekolea White, Candace Whitfield, Jenise Wiggins, Valerie Bradfield Wiggins, and Wanda Williams-Rochester and Defendants.
- 1.19** “Plaintiffs’ Counsel” means The Garber Law Firm; P.C.
- 1.20** “Releasees” means Vital Recovery Services, Inc. and Vital Solutions, Inc. and each and all of their affiliates, parents, subsidiaries, predecessors, successors, divisions, insurers, joint ventures and assigns, and each of its and these entities’ past or present directors, officers, managers, employees, partners, members, principals, representatives, agents, servants, insurers, co-insurers, re-insurers, shareholders, attorneys, personal or legal representatives and any other successor, assign or legal representative., and Christopher J. Shuler and his heirs, assigns, successors, agents, insurers, and attorneys.



- 1.21** “Released Claims” means all Released Federal Law Claims and all Released State Law Claims as defined herein.
- 1.22** “Released Federal Law Claims” shall collectively mean any and all federal law claims, obligations, demands, actions, rights, causes of action, and liabilities against the Releasees, of whatever kind and nature, character and description, arising under the Fair Labor Standards Act of 1938 (“FLSA”), as amended, 29 U.S.C. § 201, et seq., whether known or unknown, and whether anticipated or unanticipated, by all Participating Settlement Opt-ins based on their employment that accrued at any time prior to June 30, 2015, for any type of relief, including without limitation, claims for alleged unpaid wages, damages, unpaid costs, penalties (including late payment penalties), premium pay, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief.
- 1.23** “Released State Law Claims” shall collectively mean any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Releasees that were or could have been asserted in the Complaint, the First Amended Complaint, or the Second Amended Complaint based on the facts alleged for alleged unpaid wages, overtime compensation, liquidated or other damages, unpaid costs, penalties (including late payment penalties), interest, attorneys’ fees, litigation costs, restitution or other compensation and relief arising under state statutes, regulations, or common law that accrued at any time prior to June 30, 2015, including without limitation, claims for unpaid wages, damages, unpaid costs, penalties (including late payment penalties), premium pay, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief.
- 1.24** “Settlement Agreement” or “Agreement” means this agreement and the exhibits hereto, which the Parties understand and agree set forth all material terms and conditions of the Settlement between them, and which is subject to Court approval. “Settlement” means the settlement between the Parties embodied and contained in this Agreement.
- 1.25** “Settlement Checks” means checks issued to Eligible Settlement Opt-ins for their determined amounts of the settlement as set forth herein and which will include the applicable release language on the back of

each check. Each Eligible Settlement Opt-in shall be issued two checks: one check, for one-half of the settlement amount, shall be issued on an IRS W-2 form and shall have applicable taxes withheld and represent back wages; and a second check, for one-half of the settlement amount, shall be issued on an IRS 1099 form and represent alleged liquidated damages.

**1.26** “Settlement Notice” means the notice entitled “Notice of Settlement and Opportunity to Participate,” to be approved by the Court. The Settlement Notice shall inform each Eligible Settlement Opt-in:

- (i) of their eligibility to participate in the Settlement,
- (ii) if they negotiate the Settlement Checks they will be releasing any and all claims they may have, as stated in the Notice;
- (iii) if they do not negotiate their Settlement Checks within sixty (60) days from the date on the checks, their claims will be dismissed without prejudice and their claims may be forever extinguished unless re-filed within whatever time may remain in the applicable statute of limitations; and
- (iv) to seek their own tax advice prior to acting in response to the Settlement Notice;

A proposed Settlement Notice to be filed with the Approval Motion is attached hereto as Exhibit 2.

## **2. APPROVAL AND NOTICE TO ELIGIBLE SETTLEMENT OPT-INS**

**2.1** Binding Agreement. This Agreement is a binding agreement and contains all material agreed-upon terms for the Parties to seek a full and final settlement of the Litigation.

**2.2** Plaintiffs’ Counsel will be responsible for the mailing of the Settlement Notice to Eligible Settlement Opt-ins, distributing the Service Award, and distributing the Settlement Checks to Eligible Settlement Opt-ins. The Vital Defendants will be responsible for retaining and providing copies of the executed Settlement Checks to



Plaintiffs' counsel, and calculating and paying all appropriate taxes and complying with all applicable tax reporting obligations, including preparing and filing all applicable tax forms.

- 2.3 Plaintiffs' Counsel will provide to Defendants' counsel, 20 days and 40 days from the date the Settlement Notice and Settlement Checks are mailed, a report regarding the status of the mailing of the Settlement Notices and Settlement Checks to Eligible Settlement Opt-ins.
- 2.4 Defendants agree to cooperate with Plaintiffs' Counsel and provide accurate information, to the extent reasonably available, to assist in locating Eligible Settlement Opt-ins. The Parties agree that it is their mutual goal to maximize participation in the settlement.
- 2.5 Plaintiffs' Counsel shall file an Approval Motion. Plaintiffs' Counsel will provide Defendants with a draft of the Approval Motion for review and comment at least seven (7) days prior to filing it with the Court, and Defendants will provide Plaintiffs with their comments within five (5) days of receiving the draft Approval Motion. As part of their comments, Defendants will provide language for the Approval Motion that informs the Court that Defendants have taken affirmative steps to avoid any future violations similar to those alleged in the lawsuit. Provided that Plaintiffs' Counsel incorporate Defendants' reasonable comments, Defendants will not oppose the Approval Motion. With the Approval Motion, Plaintiffs' Counsel will also file the Settlement Agreement, the proposed Approval Order, and the proposed Settlement Notice. Among other things, the Approval Motion will ask the Court to: (a) issue and enter the proposed Approval Order approving the Settlement as fair, adequate, and reasonable, (b) approve the proposed Settlement Notice to be distributed to Eligible Settlement Opt-ins, (c) incorporate the terms of this Settlement Agreement, and (d) enter judgment.
- 2.6 Within five (5) days of the Effective Date, Defendants shall issue and deliver to Plaintiffs' Counsel the Settlement Checks for each Eligible Settlement Opt-in and any Court-approved Service Award for Lavern Lynn.
- 2.7 Within ten (10) days after receiving the Settlement Checks from Defendants, Plaintiffs' Counsel shall mail, via First Class United



States mail, postage prepaid, the Court-approved Settlement Notice and Settlement Checks to all Eligible Settlement Opt-ins, using each individual's Last Known Address as maintained by Plaintiffs' Counsel. Plaintiffs' Counsel shall take all reasonable steps to obtain the correct address of Eligible Settlement Opt-ins for whom the Settlement Notice is returned by the post office as undeliverable and shall attempt at least one re-mailing. Plaintiffs' Counsel will notify Defendants' Counsel of any Settlement Notice sent to any Eligible Settlement Opt-in that is returned as undeliverable after the first mailing. Defendants agree to provide Plaintiffs' Counsel with the social security number of any individual whose Settlement Notice mailing is returned as undeliverable. Unless returned as undeliverable, the Settlement Notice will be deemed to have been received by the Eligible Settlement Opt-In to whom it was sent three (3) days after it was mailed.

### **3. EFFECT OF FAILURE TO APPROVE SETTLEMENT.**

- (A) Unless the Parties agree in writing otherwise, a decision of the Court declining to approve the following material conditions of this Settlement Agreement,, shall render the entire Settlement Agreement voidable and unenforceable as to all Parties herein at the option of either Party, except as to those provisions expressly stated in this Agreement as surviving: (i) eliminating the reversion of funds to Defendants; (ii) requiring that Defendants pay any amount in excess of One Hundred Thirty-Six Thousand One Hundred Eighty-Nine and 26/100ths Dollars (\$136, 189.26); (iii) altering the payment terms agreed as to the payment of attorneys' fees and costs as set forth in Section 4.2; or (iv) changing the scope of the release provided by opt-ins who negotiate their settlement checks. Each Party may exercise its option to void this Settlement Agreement by giving notice, in writing, to the other and to the Court within fifteen (15) days of the Court's disapproval of such material condition, but in no event at any time after the Effective Date.
- (B) If any Party voids the agreement, the Parties agree to proceed as follows: the Parties shall attempt to renegotiate the Settlement to address whatever concerns the Court may identify and then seek Court approval of the renegotiated settlement and/or Agreement. In the event the parties cannot agree on terms of a

settlement agreement modification or a mutually agreed-upon settlement modification is not approved by the Court, the Litigation will proceed as if no settlement had been attempted and this Agreement will be null and void, except as otherwise specifically stated herein. In such event, the terms and provisions of the Agreement, and the approval of any settlement class for purposes of implementing this Settlement, shall have no further force and effect with respect to the Parties and shall not be used in this Litigation or in any other proceeding for any purpose, except as to the provisions expressly stated in this Agreement as surviving, and any Judgment or order entered by the Court in accordance with the terms of the Agreement (including without limitation any order certifying the case or any part of the case as a class or collective action for settlement purposes) shall be treated as vacated, *nunc pro tunc*.

#### **4. SETTLEMENT TERMS**

##### **4.1 Settlement Payments**

- (A) Defendants agree to pay up to a maximum gross amount One Hundred Thirty-Six Thousand One Hundred Eighty-Nine and 26/100ths Dollars (\$136,189.26), which shall fully resolve and satisfy any and all amounts to be paid to the Eligible Settlement Opt-ins, any Court-approved Service Award as more fully set forth herein, Employee Payroll Taxes, and any claim for attorneys' fees and costs. Defendants will not be required to pay more than this amount under the terms of this Agreement.
- (B) Within five (5) days of the Effective Date, Defendants shall issue and deliver to Plaintiffs' Counsel the Settlement Checks for each Eligible Settlement Opt-in and the Court- approved Service Award for Lavern Lynn.
- (C) Upon expiration of the 60-day Acceptance Period, any Settlement Check that has not been timely negotiated by an Eligible Settlement Opt-in shall be null and void.

##### **4.2 Settlement Amounts Payable as Attorneys' Fees and Costs.**



- (A) In their motion seeking approval of the Settlement, Plaintiffs' Counsel shall ask the Court to approve payment of One Hundred Ten Thousand and No/100ths Dollars (\$110,000.00) of the Gross Settlement Amount as an award of attorney's fees and costs. In the event the Court approves the Settlement of this matter, this amount shall constitute full satisfaction of any claim for attorney's fees and costs, and Plaintiffs agree that they shall not seek, nor be entitled to, any additional attorney's fees or costs under any theory or from any source, incurred in relation to this case. Defendants will not oppose such application. However, in the event the Court fails to approve the Settlement and/or this Agreement and the Litigation of this matter proceeds, Plaintiffs shall be entitled to seek reimbursement of all their reasonable attorney's fees and costs at a later time in an amount that may exceed the amount identified herein.
- (B) Defendants shall pay Plaintiffs' attorneys' fees and costs in ten (10) installment payments as follows:
- (i) Within five (5) days of the Effective Date, Defendants shall issue and deliver to Plaintiffs' Counsel a check in the amount of Twenty Thousand and No/100ths Dollars (\$20,000.00) payable to "The Garber Law Firm, P.C." (the first installment); and
  - (ii) thereafter, no later than the thirtieth day after the Effective Date, the Defendants shall issue and deliver to Plaintiffs' Counsel a check in the amount of Ten Thousand and No/100ths Dollars (\$10,000.00) payable to "The Garber Law Firm, P.C." (the second installment), and
  - (iii) continuing for the next eight (8) consecutive 30-day periods (the third through tenth installments), the Defendants shall issue and deliver to Plaintiffs' Counsel no later than 30 days after delivery of the prior installment a check in the amount of Ten Thousand and No/100ths Dollars (\$10,000.00) payable to "The Garber Law Firm, P.C."



(iv) with the ten (10) checks issued by the Defendants to Plaintiffs' Counsel totaling One Hundred-Ten Thousand Dollars and No Cents (\$110,000.00).

- (C) The outcome of any proceeding related to Plaintiffs' Counsel's application for attorneys' fees and costs shall not terminate this Agreement, except as otherwise ordered by the Court. In the event that the Court (or any appellate court) awards less than the requested amounts, only the awarded amounts shall be paid and shall constitute full satisfaction of the obligations of this Section and full payment hereunder. Any money requested for attorneys' fees or costs that is not approved by the Court (or any appellate court) shall not be required to be paid by Defendants. However, in the event the Court fails to approve the Settlement and/or this Agreement and the Litigation of this matter proceeds, Plaintiffs shall be entitled to seek reimbursement of all their reasonable attorney's fees and costs at a later time in an amount that may exceed the amount identified herein.

#### **4.3 Service Award to the Name Plaintiff.**

- (A) The motion seeking approval of the Settlement shall include a request for a service award ("Service Award") for Lavern Lynn in the amount of \$1,000.00 from the Gross Settlement Amount for the services she rendered to the Class. Defendants will not oppose such application.
- (B) This Service Award and any requirements for obtaining any such payment are separate and apart from, and in addition to, Lavern Lynn's additional calculated recovery as an Eligible Settlement Opt-in. The outcome of the Court's ruling on the application for a Service Award shall not terminate this Agreement or otherwise affect the Court's ruling on the motion for settlement approval. Any Service Award money not approved by the Court shall revert to Defendants.

#### **4.4 Distribution of Payments.**

- (A) The calculation of each Eligible Settlement Opt-ins payment was determined using a calculation agreed upon by Plaintiff and

Defendants following extensive review of payroll and other data and is as follows:

Opt-in	Settlement Amount
Abange, Florence	\$1,985.58
Akenji, Siri	\$100.00
Ali, Balqis	\$358.28
Anderson, Kyran	\$607.58
Anthony, Debra	\$200.00
Barnes, Shantel	\$100.00
Benjamin, Godlove	\$100.00
Bowman, Michael	\$100.00
Butler, Shunrunda	\$100.00
Chambers, Michael	\$100.00
Clarke, Alisia	\$1,242.72
Collins, Regina	\$316.08
Cox, Shirley	\$976.02
Dean, Jerry	\$100.00
Dixon, Talitha	\$100.00
Douglas, Tiffany (formerly Tiffany Nichols-Douglas)	\$927.50
Downing, David	\$100.00
Dunn, Kalema	\$1,435.14
Dyson, Kwasi	\$100.00
Dyson, McPhine	\$526.14
Evans, Kimberly	\$467.52
Evans, Sue	\$232.54
Hammond, John	\$100.00
Harrison, Starr	\$951.48
Hatcher Shedhai, Tameca (formerly Tameca Diby)	\$4,006.78
Hickenbottom, Monica	\$100.00
Hill, Demond	\$100.00
Horton, LaTasha	\$282.22
Houston, Kalie (formerly Kalie Presswood)	\$100.00
Hunter, ShaTara	\$100.00
Jarrells, Kimberly	\$100.00
Johnson-McCarble, Annie	\$133.94

<b>Opt-in</b>	<b>Settlement Amount</b>
Jones, Barron	\$119.68
Jordan, Shaunika	\$100.00
Kelley, Alison Lynne	\$1,120.72
Kendrick, Douglas	\$100.00
King, Nneka	\$100.00
Knights, Stephanie	\$100.00
Kohn, Linda	\$100.00
Lee, Brenda	\$699.66
Lewis, Quintes	\$100.00
Lily, Ciera (formerly Ciera Williams)	\$100.00
Logan, Lolita	\$682.16
Lynn, Lavern	\$121.52
Martin, Rhonda	\$100.00
McCluney, Monica (formerly Monica Miller)	\$100.00
McCoy, Giselle	\$100.00
Milner, Monica	\$100.00
Mitchell III, Johnny	\$706.42
Nix, Claudette	\$100.00
Onyesoh, Victor	\$100.00
Oshunlalu, Grace	\$100.00
Parker, Frederick	\$723.20
Pittman, Calvin	\$100.00
Quillens, Jessica	\$100.00
Reddick, Tamiesha	\$350.82
Robinson, Sherraina Owens	\$565.06
Robinson, Virginia	\$765.52
Sanford, Otis	\$100.00
Thrasher, Pleshetta	\$100.00
Tucker, Vincent	\$100.00
Tulloss, Shaunta	\$100.00
Turner, Odessia	\$100.00
Victoria, Victoria	\$100.00
Washington, Cara	\$100.00
Watson Page, Wendy	\$100.00
Whigham, Sheila	\$100.00



<b>Opt-in</b>	<b>Settlement Amount</b>
White, Nekolea	\$100.00
Whitfield, Candace	\$100.00
Wiggins, Jenise	\$100.00
Wiggins, Valerie Bradfield	\$184.98
Williams-Rochester, Wanda	\$100.00

(B) Tax Characterization of Payments to Eligible Settlement Opt-ins.

- (1) For tax purposes, 50% of the payments to Participating Settlement Opt-in pursuant to this Section 3.4 shall be treated as back wages and 50% of such payments shall be treated as interest, any applicable penalties, liquidated damages and other non-wage relief.
- (2) Payments treated as back wages shall be made net of all applicable employment taxes, including, without limitation, federal, state and local income tax withholding, and shall be reported to the Internal Revenue Service ("IRS") and the payee under the payee's name and Social Security Number on an IRS Form W-2. Payments treated as interest and/or liquidated damages shall be made without withholding and shall be reported to the IRS and the payee, to the extent required by law, under the payee's name and Social Security Number on an IRS Form 1099. Payments of attorneys' fees and costs pursuant to Section 3.2 shall be made without withholding, and be reported to the IRS and to The Garber Law Firm, P.C. under The Garber Law Firm, P.C.'s name and taxpayer identification number, which the law firm shall provide for this purpose, on an IRS Form 1099, including any proportionate payment of attorneys' fees and costs required to be reported for each Participating Settlement Opt-in. Any Service Award pursuant to Section 3.3 shall be made without withholding and be reported to the IRS and the payee

under the payee's name and social security number on an IRS Form 1099.

- (3) The employee portion of all applicable income and payroll taxes will be the sole responsibility of the individual Participating Settlement Opt-in receiving a Settlement Check or Service Award. Defendants make no representations, and it is understood and agreed that Defendants have made no representations, as to the taxability of any portions of the settlement payments to any Participating Settlement Opt-in, the payment of any costs or award of attorney fees, or any payments to the Name Plaintiffs and Litigation Opt-In Plaintiffs. The Settlement Notice will advise Eligible Settlement Opt-in to seek their own tax advice prior to acting in response to that Settlement Notice. Neither Plaintiffs' Counsel nor Defendants' Counsel intend anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, nor will it be relied upon as such.
- (4) None of the amounts paid to the Name Plaintiff or Participating Settlement Opt-ins shall create any credit for, be included in, or otherwise affect the calculation or the accrual of any employee benefits in any plans, programs, agreements or policies sponsored, maintained or contributed to by Defendants, including for purposes of any bonus of any kind.

(C) Deadline for Cashing Settlement Checks; Effect of Not Cashing Settlement Checks.

- (1) Settlement Checks issued pursuant to this Agreement shall expire sixty (60) days after they are issued by Defendants. At the close of the 60-day period, the Defendants will issue a stop-payment order on all uncashed or returned checks. The amount of all checks which remain uncashed after all of the procedures set forth in this Agreement are completed shall automatically revert to the Defendants.



## **5. RELEASE OF CLAIMS**

- 5.1** By negotiating a Settlement Check, the Name Plaintiff and all Participating Settlement Opt-ins forever and fully release Defendants from all Released Claims. **Name Plaintiff and all Participating Settlement Opt-ins agree not to sue or otherwise assert any of the Released Claims against Releasees.**
- 5.2** Any Eligible Settlement Opt-in who does not during the Acceptance Period negotiate his/her Settlement Checks will not receive a settlement payment and his/her claims will be dismissed without prejudice ten days after the end of the Acceptance Period.
- 5.3** In addition to the Released Claims, by signing the Agreement, Name Plaintiff, in exchange for her receipt of a Service Award, further releases any and all claims, obligations, demands, actions, rights, causes of action and liabilities, whether known or unknown, against Releasees.
- 5.4** By signing the Agreement, Named Plaintiff becomes a party to the Agreement and does not have to negotiate her Settlement Check to be bound by this Agreement.
- 5.5 Release Language on Settlement Checks. The Settlement Checks shall include the following release language on the back of each Settlement Check:**

By signing and negotiating this check, I hereby affirm my release of Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher Shuler and any "Releasees" of the "Released Claims" that accrued anytime prior to June 30, 2015 as those terms are defined in the Settlement Notice received by me and approved by the Court in the lawsuit captioned *Lavern Lynn et al. v. Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher J. Shuler*, Civil Action No. 1:13-CV-00534-AT (N.D.GA.). I also affirm that I will not sue or otherwise assert any of the "Released Claims" against any Releasee.

## **6. CONFIDENTIALITY**

- 6.1** The Parties and their respective counsel agree that they will not issue any press release, website postings, social media postings, or press outreach regarding the Settlement prior to the Court granting

approval. If contacted by the media before approval, the Parties and Counsel will say, "The Parties have amicably resolved the dispute," or words to this effect.

## **7. PARTIES' AUTHORITY**

- 7.1** The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions hereof.

## **8. MUTUAL COOPERATION**

- 8.1** The Parties agree to reasonably cooperate with each other and to take all steps necessary and appropriate to obtain the Court's approval of this Agreement and all of its terms and to effectuate the terms of this Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their commercially reasonable efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this Agreement, Plaintiffs' Counsel shall, with the assistance and cooperation of Defendants and their counsel, take all necessary steps to secure the Court's approval of this Agreement.

## **9. NOTICES**

- 9.1** Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiffs and/or Settlement Class:

Alan H. Garber  
[ahgarber@garberlaw.net](mailto:ahgarber@garberlaw.net)  
Marc N. Garber  
[mngarber@garberlaw.net](mailto:mngarber@garberlaw.net)  
The Garber Law Firm, P.C.



Suite 14  
4994 Lower Roswell Road  
Marietta, Georgia 30068  
Telephone: (678) 560-6685  
Fax: (678) 560-5067

To Defendants:

Daniel Turner  
[dturner@littler.com](mailto:dturner@littler.com)  
LITTLER MENDELSON, P.C.  
3344 Peachtree Road N.E.  
Suite 1500  
Atlanta, GA 30326.4803  
Telephone: 404.233.0330  
Facsimile: 404.233.2361

## **10. INTERPRETATION AND ENFORCEMENT/MISCELLANEOUS TERMS**

- 10.1** Further Acts. Each party, upon the request of any other party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.
- 10.2** No Assignment. Plaintiffs' Counsel and Name Plaintiff represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein, including, but not limited to, any interest in the Litigation, or any related action, and any attempt to do so shall be of no force or effect.
- 10.3** Entire Agreement. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement.
- 10.4** Binding Effect. This Agreement shall be binding upon the Parties and, with respect to Plaintiffs, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys

and assigns. The release provisions in this Agreement shall also be binding on each individual who negotiates a Settlement Check.

- 10.5 Arms' Length Transaction; Materiality of Terms.** The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions of this Agreement in the exact form set forth in this Agreement are material to this Agreement and have been relied upon by the Parties in entering into this Agreement, unless otherwise expressly stated.
- 10.6 Captions.** The captions or headings of the Sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.
- 10.7 Construction.** The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. The parties participated jointly in the drafting of this Agreement, and therefore the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any party by virtue of draftsmanship.
- 10.8 Blue Penciling/Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be void, voidable, unlawful or unenforceable, the remaining portions of this Agreement will remain in full force and effect.
- 10.9 Governing Law.** This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of Georgia, without regard to choice of law principles, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.
- 10.10 Continuing Jurisdiction.** The Court shall retain jurisdiction over the interpretation and implementation of this Agreement as well as any and all matters arising out of, or related to, the interpretation or implementation of this Agreement and of the Settlement contemplated thereby.
- 10.11 Waivers, etc. to Be in Writing.** No waiver, modification or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of all Parties, and



then only to the extent set forth in such written waiver, modification or amendment with any required Court approval. Any failure by any party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

**10.12 Notice.** The Settlement Notice will advise all Eligible Settlement Opt-ins of the binding nature of the release and that by negotiating the Settlement Checks issued in his/her name, they are bound by the release provisions in this Agreement.

**10.13 Counterparts.** The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same original instrument.

**10.14 Facsimile and Email Signatures.** Any party may execute this Agreement by causing its counsel to sign on the designated signature block below and transmitting that signature page via facsimile or email to counsel for the other party. Any signature made and transmitted by facsimile or email for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party whose counsel transmits the signature page by facsimile or email.

**10.15 Signatories.** This Agreement is valid and binding if signed by Defendants' authorized representative and the Name Plaintiff.

**WE AGREE TO THESE TERMS,**

*November*  
DATED: ~~September~~  
*2nd*, 2015

Vital Recovery Services, Inc.,

By: 

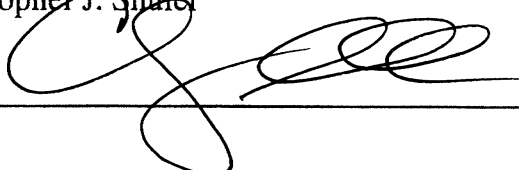
Its: *President & CEO*

Vital Solutions, Inc.

By: 

Its: *President & CEO*

Christopher J. Shuler



*October*  
DATED: ~~September~~  
*28th*, 2015

Lavern Lynn

*Lavern Lynn / AHG* <sup>WA</sup>



# Exhibit 1

(Proposed Approval Order)

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

LAVERN LYNN, <i>et al</i> ,	)	
	)	
Plaintiff,	)	
	)	CIVIL ACTION NO.
v.	)	
	)	1:13-cv-0534-AT
VITAL RECOVERY SERVICES, <i>et al.</i> ,	)	
	)	
Defendants.	)	

**ORDER**

The above-styled case is before the Court on the Plaintiffs' Unopposed Motion For An Order Approving The Settlement of Fair Labor Standards Act Collective Action, Approving And Authorizing The Issuance Of Notice Of Settlement, Approving A Service Award, And Approving Attorney's Fees And Costs. The Court has reviewed both (i) the proposed Joint Stipulation of Settlement and Release, and (ii) the proposed Notice of Settlement and Opportunity to Participate (the "Notice"). For the reasons set forth in the Plaintiffs' unopposed motion, the Court finds that the parties' settlement represents a fair and reasonable resolution of their dispute and that the proposed Notice should be issued to all eligible opt-in plaintiffs in the manner specified in the Plaintiffs' motion.

Accordingly, the Plaintiffs' Unopposed Motion is **GRANTED** and the parties' Joint Stipulation of Settlement and Release and Notice of Settlement



and Opportunity to Participate are **APPROVED** and incorporated herein by reference.

As to all opt-ins who negotiate their settlement checks, their claims against Defendants are deemed dismissed with prejudice 10 days after the opt-in's negotiation of their check. As to all opt-ins who do not negotiate their settlement checks within the time period allowed in the Notice, their claims against Defendants are deemed dismissed without prejudice 10 days after the expiration of such period.

[This Court shall retain jurisdiction over this matter until the terms set forth in the Joint Stipulation of Settlement and Release have been complied with in full.]

The Clerk is **DIRECTED** to close the case.

**IT IS SO ORDERED** this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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**Amy Totenberg**  
**United States District Judge**

Exhibit 2  
(Notice of Settlement)



**NOTICE OF SETTLEMENT & OPPORTUNITY TO PARTICIPATE**

***Lavern Lynn, et al. v. Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher J. Shuler,***  
**Civil Action No. 1:13-cv-00534-AT (U.S. District Court - Northern District of Georgia)**

**To: [Name of Opt-in Plaintiff]**

The defendants in this lawsuit have agreed to settle all wage claims of all individuals who opted in to this lawsuit. In doing so, the Defendants do not admit liability or any wrong doing. The Court approved the settlement on \_\_\_\_\_. **You are eligible to participate in the settlement.**

Pursuant to the settlement approved by the Court, in return for your release of all wage claims you may have against the defendants as of June 30, 2015, you will receive \$ xxx.xx payable to you in **two checks**, which are enclosed. One check is for one-half of your determined settlement amount representing "back wages," for which all applicable taxes were withheld and you will receive an IRS W-2 form for 2015. The second check for the other half of your determined settlement amount represents "liquidated damages," for which no taxes were withheld and you will receive an IRS 1099 form for 2015.

By depositing, cashing, or otherwise negotiating either of the two settlement checks, you affirm and agree to be bound by the full and final release of Vital Recovery Services, Inc., Vital Solutions, Inc. and Christopher Shuler, and all "Releasees" of the "Federal Law Claims" and "State Law Claims" in this lawsuit (as defined below) accruing at any time prior to June 30, 2015. By depositing, cashing, or otherwise negotiating either of the two enclosed checks, you affirm you will *not* sue or otherwise assert any of the released claims against any Releasee.

**YOU MUST ACT WITHIN 60 DAYS.** If you do not deposit, cash, or otherwise negotiate one or both of your two checks within sixty (60) days from the date on the checks, your claims will be *dismissed* without prejudice and may forever be extinguished unless re-filed within whatever time may remain in the applicable statute of limitations. **You should seek your own tax advice prior to acting in response to this Settlement Notice.**

"Releasees," as used in this Notice, means and includes Vital Recovery Services, Inc. and Vital Solutions, Inc. and each and all of their affiliates, parents, subsidiaries, predecessors, successors, divisions, insurers, joint ventures and assigns, and each of its and these entities' past or present directors, officers, managers, employees, partners, members, principals, representatives, agents, servants, insurers, co-insurers, re-insurers, shareholders, attorneys, personal or legal representatives and any other successor, assign or legal representative., and Christopher J. Shuler and his heirs, assigns, successors, agents, insurers, and attorneys.

"Released Federal Law Claims," as used in this Notice, means and includes any and all federal law claims, obligations, demands, actions, rights, causes of action, and liabilities against the Releasees, of whatever kind and nature, character and description, arising under the Fair Labor Standards Act of 1938 ("FLSA"), as amended, 29 U.S.C. § 201, et seq., whether known or unknown, and whether anticipated or unanticipated, by all Participating Settlement Opt-ins based on their employment that accrued at any time prior to June 30, 2015, for any type of relief, including without limitation, claims for alleged unpaid wages, damages, unpaid costs, penalties (including late payment penalties), premium pay, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief.

"Released State Law Claims," as used in this Notice, means and includes any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Releasees that were or could have been asserted in the Complaint, the First Amended Complaint, or the Second Amended Complaint based on the facts alleged for alleged unpaid wages, overtime compensation, liquidated or other damages, unpaid costs, penalties (including late payment penalties), interest, attorneys' fees, litigation costs, restitution or other compensation and relief arising under state statutes, regulations, or common law that accrued at any time prior to June 30, 2015, including without limitation, claims for unpaid wages, damages, unpaid costs, penalties (including late payment penalties), premium pay, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief.

**You should direct any questions exclusively to Plaintiffs' Counsel: The Garber Law Firm, P.C.,  
4994 Lower Roswell Road, Suite 14, Marietta, GA 30068 • (678) 560-6685 • [ahgarber@garberlaw.net](mailto:ahgarber@garberlaw.net)**